

Public and Affordable Housing Committee
May 14, 2009
Home of the Innocents Boardroom
9:00 a.m.

Present: Tim Barry, Connie Barr, Daro Mott, Evelyn Brown, Joe Gliessner, Pat Williamson, Anika Goss-Foster, Tina Walters, Bill Gatewood, Jeff Ralph, Gordon Brown, Nicole Ivory, Cathy Hinko, George Lee, Jr., Gabe Fritz, Jeana Dunlap, Kathryn Mitchell, Bob French, Michael Gardner, Ray Brewer, Bernard Pincus, Wavid Wray, Angela Sharp, Faith Weekly, Becky Roehrig, Lisa Osanka, Tina Ward-Pugh

Public Housing Competitive Grants – NOFA was issued for \$995 million for public housing capital activities. There are four categories:

1. Housing for elderly and disabled - \$95 million
2. Public Housing Transformation - \$100 million
3. Gap Financing for projects that are stalled due to financing issues - \$200 million
4. Creation of Energy Efficient Green Communities - \$600 million (\$300 million dedicated to substantial rehab/new construction and \$300 million dedicated to moderate rehab).

Category 1 is not viable since LMHA still has vacant units in the senior developments.

Category 2 is going to be difficult to capture and to determine what HUD really wants. There have been past discussions about redeveloping Sheppard Square but that might be better suited to a HOPE VI grant in the future. Also, a major redevelopment wouldn't be attainable given the time constraints on these stimulus grants.

Category 3 is directed more toward projects that are underway but stalled because of tax credit issues.

Category 4 is the category to work on since it offers the most funds and the most opportunity to do some energy efficient "green" projects. The fourth category will be very competitive for the substantial rehab/new construction but even more competitive for the moderate rehab due to less mandatory requirements on the funds. More effort will have to be made in order to gain more points on the scoring of the application.

NSP Grant status - The Metro Housing Dept. got \$7 million instead of \$3 million. This means the weatherization program will probably triple. The application guideline for the second round of grants is 94 pages and this will likely be a tougher application than the first one. This grant offers regular NSP money and \$50 million for NSP technical assistance. The technical assistance portion is for large agencies that conduct training programs so Metro Housing Dept. will not apply for that grant. There are a lot of restrictions for the regular NSP grant. Minimum request has to be \$5 million and there

must be aggressive and achievable goals outlined. Applicants can be state or local government, nonprofit, or a consortium of nonprofits.

There has been an advisory process since last November to determine the five neighborhoods that should be targeted for improvement. These neighborhoods are Shelby Park/Smoketown, Shawnee, Park DuValle, Portland and Newburg. The advisory group reviewed each of these neighborhoods based on the criteria for this application and their neighborhood plans and committed neighborhood groups. A decision was made to choose Smoketown for the application.

The number of houses that have to be addressed by the grant is a minimum of 100. That can be a combination of rehab, new and demo (restricted to 10% of the dollars). If a consortium of nonprofit agencies applies, they have to demonstrate the ability to do what they are stating in the application. HUD requires that 75 units must have been completed over the past 24 months to demonstrate the applicant can accomplish the proposed goals; however, this part of the guidelines is not very clear.

Because of problems with Metro Louisville's Housing Department over the past several years, it is likely to be seen as damaged goods even though most of those problems have been resolved. HUD Washington advised that the City should not apply as the lead applicant. Also, they advised to apply for one neighborhood and not two because of the amount of competition they expect. After consulting with HUD, the local lobbyist, the Mayor and others, it has been decided the application will be for Smoketown as a whole. The Housing Authority will be the lead applicant. It is not clear how to demonstrate that the lead applicant has accomplished 75 units in the past 24 months but the Housing Authority does have the capacity to develop and produce given what has been done at Park DuValle and Liberty Green. As to other partners, New Directions and PCC should be asked to be part of the consortium. Hopefully, the Community Development Bank will participate and others such as J.P. Morgan and Habitat may have an interest too. The state is being informed today that LMHA will be the applicant. The state wanted a joint application with them but it wasn't clear how much money Louisville would get out of that arrangement and how the administration of the grant would work and no answers have been forthcoming.

In-house teams will be set up to deal with the creation of the application which is limited to 40 pages. Any nonprofit participation gets an additional 5 pages. If there are for-profit partners, they are allowed 1 page each. No public hearing is required. Tina Ward-Pugh suggested a public hearing should still be conducted to get public input or at least offer some other opportunity for the public to comment, maybe on line. She offered some of her District's funds to help get flyers out if that would be the best way to reach people who don't watch TV or read the newspaper or have internet. Also, Metro TV was suggested as a potential source for presenting this information to the public. There is work underway already for several public service announcements regarding down payment assistance and there are three public meetings scheduled during May.

LMHA has already been working on improvements in the Smoketown area and this grant would help revitalize the area and potentially lead to a HOPE VI project for that area in the future.

LMHA will be the lead but City's Jeana Dunlap will have most of the responsibility of putting together the application.

Weatherization update – nothing new to report.

Homeless Prevention and Rapid Re-housing update - Cathy Hinko, MHC, said she was the only person to offer public comments on this. This is \$5 million for rent and utility assistance. The City will have an ongoing group to form the program for the rent assistance program. There are three decisions already made: to limit assistance to six months (the federal program allows 18 months), to use Neighborhood Place locations as the main distribution/access points (although not exclusively), and then how much money is going to assist people and how much will be for administrative services. Less than half the money was going to assist people. She feels that needs to change to put a lot more into the actual assistance. She would like to see \$2.8 million for assistance and \$1.6 for services. Bob French noted a problem in the past has been a shortage of case workers to get the dollars out to those who need them. That has been a consideration for this grant.